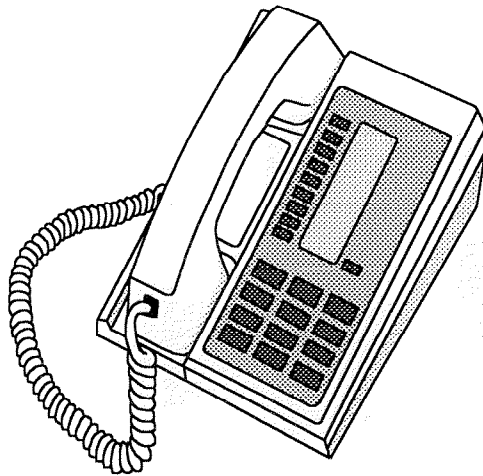


YEAR 1999

ANNUAL REPORT  
OF  
**Central Montana  
Communications**  
TELEPHONE UTILITY

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TO THE  
PUBLIC SERVICE COMMISSION  
STATE OF MONTANA  
1701 PROSPECT AVENUE  
P.O. BOX 202601  
HELENA, MT 59620-2601

Check No. 009388  
\$25.00  
Central Montana  
Communications Inc.

# Telephone Annual Report

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**General Information**

Year: 1999

1.	Legal Name of Respondent:	Central Montana Communications, Incorporated
2.	Name Under Which Respondent Does Business:	Central Montana Communications, Incorporated
3.	Date of Incorporation:	07/01/1993
4.	Address to send Correspondence Concerning Report:	PO Box 751 Havre, MT 59501
5.	Person Responsible for This Report:	Richard Stevens
5a.	Telephone Number:	(406)394-2000
<b>Control Over Respondent</b>		
1.	If direct control over the respondent was held by another entity at the end of year provide the following:	
1a.	Name and address of the controlling organization or person: Triangle Telephone Cooperative Association, Incorporated PO Box 1220, Havre, MT 59501	
1b.	Means by which control was held: Stock Ownership	
1c.	Percent Ownership:	100%

Board of Directors		
Line No.	Name of Director and Address (City, State) (a)	Fees Paid During Year (b)
1	Louis J. Sattleen, Chinook, MT 59523	1946
2	Verlin Reichelt, Big Sandy, MT 59520	3189
3	Richard Stuker, Chinook, MT 59523	2739
4	Tom Bangs, Inverness, MT 59530	2489
5	Richard Pokorny, Big Sandy, MT 59520	2289
6	Paul VanCleve, Big Timber, MT 59011	524
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18	<b>Chairman of the Board:</b>	
19	Richard Stuker	
20		

## Officers

Year: 1999

Line No.	Title of Officer (a)	Department Over Which Jurisdiction is Exercised (b)	Name and Address of Person Holding Office at Year End (c)
1	President		Richard Stuker, Chinook, MT 59523
2	Vice President		Verlin Reichelt, Big Sandy, MT 59520
3	Secretary/Treasurer		Tom Bangs, Inverness, MT 59530
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**Total Company Balance Sheet**

Year: 1999

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		<b>CURRENT ASSETS:</b>		
2	1120	Cash and Equivalents	5,866,561	5,702,282
3	1180	Telecommunications Accounts Receivable - Net	793,176	879,924
4	1190	Other Accounts Receivable - Net	1,237,315	948,257
5	1200	Notes Receivable - Net		
6	1210	Interest and Dividends Receivable	32,491	17,645
7	1220	Materials and Supplies		
8	* 1280	Prepayments	85,357	74,664
9	^ 1290	Prepaid Rents		
10	^ 1300	Prepaid Taxes		
11	^ 1310	Prepaid Insurance		
12	^ 1320	Prepaid Directory Expenses	35,922	24,615
13	^ 1330	Other Prepayments	49,435	50,049
14	1350	Other Current Assets		
15		<b>Total Current Assets</b>	<b>8,014,900</b>	<b>7,622,772</b>
16		<b>NONCURRENT ASSETS:</b>		
17	1401	Investments in Affiliated Companies	6,825	5,709
18	1402	Investments in Nonaffiliated Companies	5,209,873	4,474,244
19	1406	Nonregulated Investments	84,076	23,454
20	1407	Unamortized Debt Issuance Expense		
21	1408	Sinking Funds		
22	1410	Other Noncurrent Assets		
23	1438	Deferred Maintenance and Retirements		
24	1439	Deferred Charges	4,125	11,664
25	1500	Other Jurisdictional Assets - Net		
26		<b>Total Noncurrent Assets</b>	<b>5,304,899</b>	<b>4,515,071</b>
27		<b>PROPERTY, PLANT, &amp; EQUIPMENT:</b>		
28	2001	Telecommunications Plant in Service	37,603,060	36,756,884
29	2002	Property Held for Future Telecommunications Use		
30	2003	Plant Under Construction - Short Term	1,086,188	1,329,302
31	2004	Plant Under Construction - Long Term	6,799	84,487
32	2005	Telecommunications Plant Adjustment	2,656,541	2,656,541
33	2006	Nonoperating Plant		
34	2007	Goodwill	10,288,260	10,288,260
35	3100	Accumulated Depreciation	(17,306,707)	(17,099,191)
36	3200	Accumulated Depreciation - Held for Future Use		
37	3300	Accumulated Depreciation - Nonoperating		
38	3400	Accumulated Amortization	(4,826,932)	(3,953,260)
39		<b>Net Property, Plant, &amp; Equipment</b>	<b>29,507,209</b>	<b>30,063,023</b>
40		<b>TOTAL ASSETS</b>	<b>42,827,008</b>	<b>42,200,866</b>

^ Subaccount of account marked with a \*.

## Total Company Balance Sheet

Year: 1999

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
41		<b>CURRENT LIABILITIES:</b>		
42	4010	Accounts Payable	1,725,466	1,381,111
43	4020	Notes Payable		
44	4030	Advance Billing and Payments	266,193	259,330
45	4040	Customer Deposits	42,153	49,723
46	4050	Current Maturities - Long Term Debt	1,331,000	1,273,000
47	4060	Current Maturities - Capital Leases		
48	4070	Income Taxes - Accrued	654,923	481,571
49	4080	Other Taxes - Accrued	645,255	614,425
50	4100	Net Current Deferred Operating Income Taxes		
51	4110	Net Current Deferred Nonoperating Income Taxes		
52	4120	Other Accrued Liabilities	337,130	344,782
53	4130	Other Current Liabilities		
54		<b>Total Current Liabilities</b>	5,002,120	4,403,942
55		<b>LONG-TERM DEBT:</b>		
56	4210	Funded Debt		
57	4220	Premium on Long-Term Debt		
58	4230	Discount on Long-Term Debt		
59	4240	Reacquired Debt		
60	4250	Obligations Under Capital leases		
61	4260	Advances From Affiliated Companies		
62	4270	Other Long-Term Debt	27,919,195	29,296,512
63		<b>Total Long-Term Debt</b>	27,919,195	29,296,512
64		<b>OTHER LIABILITIES AND DEFERRED CREDITS:</b>		
65	4310	Other Long-Term Liabilities		
66	4320	Unamort. Oper. Invest. Tax Credits - Net		
67	4330	Unamort. Nonoper. Invest. Tax Credits - Net		
68	4340	Net Noncurrent Deferred Oper. Income Taxes		
69	4350	Net Noncurrent Deferred Nonoper. Income Taxes		
70	4360	Other Deferred Credits	63,330	
71	4370	Other Jurisdictional Liab. and Def. Credits		
72		<b>Total Other Liabilities and Deferred Credits</b>	63,330	
73		<b>STOCKHOLDERS' EQUITY:</b>		
74	4510	Capital Stock	6,390,000	6,390,000
75	4520	Additional Paid-In Capital		
76	4530	Treasury Stock		
77	4540	Other Capital		
78	4550	Retained Earnings	3,452,363	2,110,412
79		<b>Total Stockholders' Equity</b>	9,842,363	8,500,412
80		<b>TOTAL LIAB. AND STOCKHOLDERS' EQUITY</b>	42,827,008	42,200,866

## Total Company Income Statement

Year: 1999

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		<b>REVENUES:</b>		
2	5000	Basic Local Service Revenues	2,425,097	2,322,021
3	5080	Network Access Revenues	7,127,716	7,715,132
4	* 5100	Long Distance Message Revenue	202,996	313,763
5	^ 5110	Unidirectional Long Distance Revenue		
6	^ 5120	Long Distance Private Network Revenue		
7	^ 5160	Other Long Distance Revenue	202,996	313,763
8	^ 5169	Other Long Distance Revenue Settlements		
9	* 5200	Miscellaneous Revenue	291,148	323,760
10	^ 5230	Directory Revenue	63,444	72,681
11	^ 5240	Rent Revenue	31,881	31,279
12	^ 5250	Corporate Operations Revenue		
13	^ 5260	Miscellaneous Revenue	8,613	14,300
14	^ 5270	Carrier Billing and Collection Revenue	187,210	205,500
15	^ 5280	Nonregulated Revenue		
16	5300	Uncollectible Revenue	7,339	30,111
17		<b>Total Revenues (L.2+L.3+L.4+L.9-L.16)</b>	10,039,618	10,644,565
18		<b>OPERATING EXPENSES:</b>		
19	6110	Network Support Expense		
20	6120	General Support Expense	169,880	168,170
21	6210	Central Office Switching Expense	320,779	165,316
22	6220	Operator Systems Expense		
23	6230	Central Office Transmission Expense	135,272	89,438
24	6310	Information Origination/Termination Expense		
25	* 6410	Cable and Wire Facilities Expense	356,066	351,959
26	^ 6431	Aerial Wire Expense	92,945	102,327
27	^ 6441	Conduit Systems Expense	263,121	249,632
28	6510	Other Property, Plant & Equipment Expense		
29	6530	Network Operations Expense	446,761	430,677
30	6540	Access Expense	206,003	123,549
31	6560	Depreciation and Amortization Expense	1,633,186	2,495,838
32	6610	Marketing	13,794	4,964
33	6620	Services	838,060	772,697
34	6710	Executive and Planning	88,486	74,796
35	6720	General and Administrative	481,163	392,485
36	6790	Provision for Uncollectible Notes Receivable		
37		<b>Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)</b>	4,689,450	5,069,889
38	7100	Other Operating Income and Expense	(136)	(36)
39	7200	Operating Taxes	2,193,995	2,321,720
40		<b>Net Operating Income (L.17-L.37+L.38-L.39)</b>	3,156,037	3,252,920
41	7300	Nonoperating Income and Expense	(389,122)	(469,572)
42	7400	Nonoperating Taxes	(110,951)	(167,555)
43	7500	Interest and Related Items	1,609,370	1,737,800
44	7600	Extraordinary Items		
45	7910	Effects of Juris. Ratemaking Diff. - Net		
46	7990	Nonregulated Net Income	(73,455)	(65,863)
47		<b>NET INCOME (L.40+L.41-L.42-L.43-L.44+L.45-L.46)</b>	1,341,951	1,278,966

^ Subaccount of the account marked with a \*.

## Montana Total State Income Statement

Year: 1999

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		<b>REVENUES:</b>		
2	5000	Basic Local Service Revenues		
3	5080	Network Access Revenues		
4	* 5100	Long Distance Message Revenue		
5	^ 5110	Unidirectional Long Distance Revenue		
6	^ 5120	Long Distance Private Network Revenue		
7	^ 5160	Other Long Distance Revenue		
8	^ 5169	Other Long Distance Revenue Settlements		
9	* 5200	Miscellaneous Revenue		
10	^ 5230	Directory Revenue		
11	^ 5240	Rent Revenue		
12	^ 5250	Corporate Operations Revenue		
13	^ 5260	Miscellaneous Revenue		
14	^ 5270	Carrier Billing and Collection Revenue		
15	^ 5280	Nonregulated Revenue		
16	5300	Uncollectible Revenue		
17		<b>Total Revenues (L.2+L.3+L.4+L.9-L.16)</b>		
18		<b>OPERATING EXPENSES:</b>		
19	6110	Network Support Expense		
20	6120	General Support Expense		
21	6210	Central Office Switching Expense		
22	6220	Operator Systems Expense		
23	6230	Central Office Transmission Expense		
24	6310	Information Origination/Termination Expense		
25	* 6410	Cable and Wire Facilities Expense		
26	^ 6431	Aerial Wire Expense		
27	^ 6441	Conduit Systems Expense		
28	6510	Other Property, Plant & Equipment Expense		
29	6530	Network Operations Expense		
30	6540	Access Expense		
31	6560	Depreciation and Amortization Expense		
32	6610	Marketing		
33	6620	Services		
34	6710	Executive and Planning		
35	6720	General and Administrative		
36	6790	Provision for Uncollectible Notes Receivable		
37		<b>Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)</b>		
38	7100	Other Operating Income and Expense		
39	7200	Operating Taxes		
40		<b>Net Operating Income (L.17-L.37+L.38-L.39)</b>		

^ Subaccount of the account marked with a \*.

## Montana Intrastate Income Statement

Year: 1999

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		<b>REVENUES:</b>		
2	5000	Basic Local Service Revenues	2,425,097	2,322,021
3	5080	Network Access Revenues	1,638,378	1,569,704
4	* 5100	Long Distance Message Revenue	202,951	313,659
5	^ 5110	Unidirectional Long Distance Revenue		
6	^ 5120	Long Distance Private Network Revenue		
7	^ 5160	Other Long Distance Revenue	202,951	313,659
8	^ 5169	Other Long Distance Revenue Settlements		
9	* 5200	Miscellaneous Revenue	231,668	258,638
10	^ 5230	Directory Revenue	63,444	72,681
11	^ 5240	Rent Revenue	31,881	31,279
12	^ 5250	Corporate Operations Revenue		
13	^ 5260	Miscellaneous Revenue	8,613	14,300
14	^ 5270	Carrier Billing and Collection Revenue	127,730	140,378
15	^ 5280	Nonregulated Revenue		
16	5300	Uncollectible Revenue	7,339	30,111
17		<b>Total Revenues (L.2+L.3+L.4+L.9-L.16)</b>	<b>4,490,755</b>	<b>4,433,911</b>
18		<b>OPERATING EXPENSES:</b>		
19	6110	Network Support Expense		
20	6120	General Support Expense	75,988	70,050
21	6210	Central Office Switching Expense	143,486	68,861
22	6220	Operator Systems Expense		
23	6230	Central Office Transmission Expense	60,508	37,255
24	6310	Information Origination/Termination Expense		
25	* 6410	Cable and Wire Facilities Expense	159,270	146,606
26	^ 6431	Aerial Wire Expense	41,575	42,624
27	^ 6441	Conduit Systems Expense	117,695	103,982
28	6510	Other Property, Plant & Equipment Expense		
29	6530	Network Operations Expense	199,838	179,395
30	6540	Access Expense	92,146	51,463
31	6560	Depreciation and Amortization Expense	730,530	1,039,622
32	6610	Marketing	6,170	2,068
33	6620	Services	374,867	321,861
34	6710	Executive and Planning	39,580	31,156
35	6720	General and Administrative	215,226	163,487
36	6790	Provision for Uncollectible Notes Receivable		
37		<b>Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)</b>	<b>2,097,609</b>	<b>2,111,824</b>
38	7100	Other Operating Income and Expense	(61)	(15)
39	7200	Operating Taxes	981,381	967,095
40		<b>Net Operating Income (L.17-L.37+L.38-L.39)</b>	<b>1,411,704</b>	<b>1,354,977</b>

^ Subaccount of the account marked with a \*.

## Montana Intrastate Regulated Income Statement

Year: 1999

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		<b>REVENUES:</b>		
2	5000	Basic Local Service Revenues	2,425,097	2,322,021
3	5080	Network Access Revenues	1,458,414	1,428,282
4	* 5100	Long Distance Message Revenue	202,951	313,763
5	^ 5110	Unidirectional Long Distance Revenue		
6	^ 5120	Long Distance Private Network Revenue		
7	^ 5160	Other Long Distance Revenue	202,951	313,763
8	^ 5169	Other Long Distance Revenue Settlements		
9	* 5200	Miscellaneous Revenue		
10	^ 5230	Directory Revenue		
11	^ 5240	Rent Revenue		
12	^ 5250	Corporate Operations Revenue		
13	^ 5260	Miscellaneous Revenue		
14	^ 5270	Carrier Billing and Collection Revenue		
15	^ 5280	Nonregulated Revenue		
16	5300	Uncollectible Revenue		
17		<b>Total Revenues (L.2+L.3+L.4+L.9-L.16)</b>	4,086,462	4,064,066
18		<b>OPERATING EXPENSES:</b>		
19	6110	Network Support Expense		
20	6120	General Support Expense	69,147	64,207
21	6210	Central Office Switching Expense	130,568	63,117
22	6220	Operator Systems Expense		
23	6230	Central Office Transmission Expense	55,060	34,147
24	6310	Information Origination/Termination Expense		
25	* 6410	Cable and Wire Facilities Expense	144,931	134,377
26	^ 6431	Aerial Wire Expense	37,832	39,068
27	^ 6441	Conduit Systems Expense	107,099	95,309
28	6510	Other Property, Plant & Equipment Expense		
29	6530	Network Operations Expense	181,847	164,431
30	6540	Access Expense	83,850	47,171
31	6560	Depreciation and Amortization Expense	664,762	952,904
32	6610	Marketing	5,615	1,895
33	6620	Services	341,119	295,014
34	6710	Executive and Planning	36,017	28,557
35	6720	General and Administrative	195,850	149,850
36	6790	Provision for Uncollectible Notes Receivable		
37		<b>Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)</b>	1,908,766	1,935,670
38	7100	Other Operating Income and Expense	(55)	(14)
39	7200	Operating Taxes	893,030	886,426
40		<b>Net Operating Income (L.17-L.37+L.38-L.39)</b>	1,284,611	1,241,956

^ Subaccount of the account marked with a \*.

**Average Rate Base - Total State**

Year: 1999

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1	2001	Telecommunications Plant in Service	37603060	36756884
2	3100	Accumulated Depreciation	17306707	17099191
3	2002	Property Held for Future Telecommunications Use		
4	3200	Accumulated Depreciation - 2002		
5	1220	Materials and Supplies		
6	4340	Noncurrent Deferred Operating Income Taxes		
7		Pre-1971 Unamortized Investment Tax Credits		
8		Cash Working Capital (if allowed by Commission)		
9		<b>Total Average Rate Base (L.1-L.2+L.3-L.4+L.5-L.6-L.7+L.8)</b>	20296353	19657693

**Average Rate Base - Intrastate**

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1	2001	Telecommunications Plant in Service	37603060	36756884
2	3100	Accumulated Depreciation	17306707	17099191
3	2002	Property Held for Future Telecommunications Use		
4	3200	Accumulated Depreciation - 2002		
5	1220	Materials and Supplies		
6	4340	Noncurrent Deferred Operating Income Taxes		
7		Pre-1971 Unamortized Investment Tax Credits		
8		Cash Working Capital (if allowed by Commission)		
9		<b>Total Average Rate Base (L.1-L.2+L.3-L.4+L.5-L.6-L.7+L.8)</b>	20296353	19657693

**Average Rate Base - Regulated Intrastate**

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1	2001	Telecommunications Plant in Service	37603060	36756884
2	3100	Accumulated Depreciation	17306707	17099191
3	2002	Property Held for Future Telecommunications Use		
4	3200	Accumulated Depreciation - 2002		
5	1220	Materials and Supplies		
6	4340	Noncurrent Deferred Operating Income Taxes		
7		Pre-1971 Unamortized Investment Tax Credits		
8		Cash Working Capital (if allowed by Commission)		
9		<b>Total Average Rate Base (L.1-L.2+L.3-L.4+L.5-L.6-L.7+L.8)</b>	20296353	19657693

## Statement of Cash Flows

Year: 1999

Line No.	Item Description (a)	Amount (b)	Amount (c)
1	<b>Increase/(decrease) in Cash &amp; Cash Equivalents</b>		
2	<b>Cash Flows from Operating Activities:</b>		
3	Net Income		1341951
4	Reconciliation Adjustments:		
5	Depreciation & Amortization	2506857	
6	Provision for Accounts Receivable Losses	13245	
7	Deferred Income Taxes - Net		
8	Unamortized Investment Tax Credits (ITCs) - Net		
9	Allowance for Funds Used During Construction (AFUDC)		
10	Change in Operating Receivables - Net	-230399	
11	Change in Materials, Supplies & Inventories - Net		
12	Change in Operating Payables & Accrued Liabilities - Net	343648	
13	Change in Other Assets & Deferred Credits - Net	60176	
14	Change in Other Liabilities & Deferred Credits - Net		
15	Other (explained on back of this page)	196530	
16	Total Adjustments		2890057
17	<b>Net Cash Provided by/(Used in) Operating Activities</b>		4232008
18	<b>Cash Inflows/Outflows From Investing Activities:</b>		
19	Construction/Acquisition of Property, Plant & Equipment (net of	-1951045	
20	AFUDC & Capital Lease Related Acquisitions)		
21	Proceeds from Disposals of Property, Plant & Equipment		
22	Investments In & Advances to Affiliates		
23	Proceeds from Repayment of Advances		
24	Other Investing Activities (explained on back of this page)	-797367	
25	<b>Net Cash Provided by/(Used in) Investing Activities</b>		-2748412
26	<b>Cash Flows from Financing Activities:</b>		
27	Net Incr./((Decr.) in Short-Term Debt, Original maturity <= 3 mo.		
28	Advances from Affiliates		
29	Repayment of Advances from Affiliates		
30	Proceeds from Issuances of Long-Term Debt		
31	Repayment of Long-Term Debt	-1140719	
32	Payment of Capital Lease Obligations		
33	Proceeds from Issuing Common Stock/Parent Co. Equity Investment		
34	Repurchase of Treasury Shares		
35	Dividends Paid		
36	Other Financing Activities (explained on back of this page)	-178598	
37	<b>Net Cash Provided by Financing Activities</b>		-1319317
38	<b>Effect of Exchange Rate Changes on Cash</b>		
39	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>		164279
40	<b>Cash &amp; Cash Equivalents at Beginning of Period</b>		5702282
41	<b>Cash &amp; Cash Equivalents at End of Period</b>		5866561

**Statement of Cash Flows**

Year: 1999

Line 15.	Other Operating Activities	
	Accrued Income Tax	173,352
	Other Taxes Accrued	30,830
	Other Accrued Liabilities	<u>(7,652)</u>
		<u>196,530</u>
Line 24.	Other Investing Activities	
	North Central Data Cooperative Capital Credits	(3,677)
	Fergus Electric Cooperative Capital Credits	(220)
	Farmers Union Capital Credits	(11)
	Triangle Telephone Cooperative Capital Credits	(1,116)
	Rural Telephone Finance Cooperative Capital Credits	17,867
	Bonds	(749,588)
	Nonregulated Investment in Other Terminal Equipment	<u>(60,622)</u>
		<u>(797,367)</u>
Line 36.	Other Financing Activities	
	RUS Note Payments	<u>(178,598)</u>

## Receivables and Investments-Affiliated &amp; Nonaffiliated Companies

ar: 1999

Line No.	Name of Affiliate or Company (a)	Account 1160 Temporary Investments (b)	Account 1180 Telecom. Accounts Receivable (c)	Account 1181 Accts. Rec. Allowance (d)	Account 1190 Other Accounts Receivable (e)	Account 1191 Accounts Receivable Allow. - Other (f)	Account 1200 Notes Receivable (g)	Account 1201 Notes Receivable Allowance (h)	Account 1210 Interest and Dividends Receivable (i)	Account 1401 Investments in Affil. Companies (j)	Account 1402 Investments in Nonaffil. Companies (k)
1	NRUCFC	4805000							32491		
2	Subscriber Receivables		806420	13244	5975					6825	1665217
3	Reg & NonReg Sales				81242						1400
4	AT&T				610						28282
5	US West				540038						154
6	NECA				20787						3514820
7	NCRPC				398184						
8	MILEC				107646						
9	Other Inter-Exc Carriers				20657						
10	Triangle Comm System				63340						
11	USAC E-Rate				-1164						
12	Returned Checks										
13	Invest in Triangle Tele										
14	RTFC										
15	Electric Cooperatives										
16	NCDC										
17	Farmers Union-GF										
18	Bonds										
19											
20											
21											
22											
23											
24											
25											
26											
27											
28											
29											
30	<b>Totals</b>	4805000	806420	13244	1237315				32491	6825	5209873

## Net Plant in Service - Detail

Year: 1999

Line No.	Account (a)	Description (b)	Beginning of Year Balance (c)	Additions (d)	Retirements (e)	Sales & Transfers (f)	End of Year Account 2001 Balance (g)	Year End Accumulated Depreciation (h)	End of Year Net Plant Balance (i)
1	* 2110	Land and Support Assets	1887089	448337	17625		2317801	725328	1592473
2	^ 2111	Land	56992				56992		56992
3	^ 2112	Motor Vehicles	526971	176311	17625		685657	219002	466655
4	^ 2113	Aircraft							
5	^ 2114	Special Purpose Vehicles	136075				136075	43869	92206
6	^ 2115	Garage Work Equipment							
7	^ 2116	Other Work Equipment	79442				79442	20479	58963
8	^ 2121	Buildings	1081621	272026			1353647	438077	915570
9	^ 2122	Furniture							
10	^ 2123	Office Equipment	5988				5988	3901	2087
11	^ 2124	General Purpose Computers							
12	2211	Analog Electronic Switching							
13	2212	Digital Electronic Switching	2812870	630922	57364		3386428	925635	2460793
14	2215	Electro-Mechanical Switching							
15	2220	Operator Systems							
16	2231	Radio Systems							
17	2232	Circuit Equipment	6456738	1111003	1545431		6022310	5459120	563190
18	* 2310	Information Orig & Term Equip	24856				24856	24856	
19	^ 2311	Station Apparatus							
20	^ 2321	Customer Premises Wiring							
21	^ 2341	Large Private Branch Exchanges							
22	^ 2351	Public Telephone Term. Equip.							
23	^ 2362	Other Terminal Equipment	24856				24856	24856	
24	2411	Poles	290333		10507		279826	182478	97348
25	* 2420	Cable and Wire Facilities	25174596	444795	156937		25462454	9900960	15561494
26	^ 2421	Aerial Cable	1087945	106596	7131		1187410	557971	629439
27	^ 2422	Underground Cable	678305	3146			681451	128179	553272
28	^ 2423	Buried Cable	23408346	335053	149806		23593593	9214810	14378783
29	^ 2424	Submarine Cable							
30	^ 2425	Deep Sea Cable							
31	^ 2426	Intrabuilding Network Cable							
32	2431	Aerial Wire	107075		1017		106058	106058	
33	2441	Conduit Systems	3327				3327	1405	1922
34		<b>Totals</b>	36756884	2635057	1788881		37603060	17325840	20277220

^ Subaccount of the account marked with a \*.

Company Name: Central Montana Communications, Inc.

SCHEDULE 12

Analysis of Plant Held for Future Use						Year: 1999	
Line No.	Location and Description of Property (a)	Date Included in Account 2002 (b)	Book Cost of Property at Beginning of Year (c)	Additions During the Year (d)	Retirements During the Year (e)	Transfers and Adjustments Charges and (Credits) (f)	Book Cost of Property at End of Year (g)
1	Not Applicable						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30	Totals (Sum L.1 to L.29)						

Company Name: Central Montana Communications, Inc.

SCHEDULE 13

Average Cost of Long Term Debt

Year: 1999

Line No.	Description (a)	Issue Date (b)	Maturity Date (c)	Principal Amount (d)	Gross Proceeds (e)	Net Proceeds (f)	Net Per \$100 (g)	Outstanding Per Balance Sheet (h)	Yield to Maturity (i)	Annual Net Cost (j)	Amortization of Premium or Discount (k)	Total Cost (%) (l)
1	Not Applicable											
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
22												
23												
24												
25												
26												
27												
28												
29												
30	<b>Total</b>											

Company Name: Central Montana Communications, Inc.

SCHEDULE 14

Year: 1999

Cost of Preferred Stock

Line No.	Description (a)	Date of Issuance (b)	Method of Offering (c)	Call Redemption Price (d)	Par Value Of Issue (e)	Gross Proceeds Amounts (f)	Net Proceeds Amounts (g)	Net Proceeds Per \$100 (h)	Cost of Money (i)	Principal Outstanding (j)	Annual Cost (k)	Embedded Cost (l)
1	Not Applicable											
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
22												
23												
24												
25												
26												
27												
28												
29												
30	Totals (Sum L. 1 to L. 29)											

Analysis of Common Stock

Year: 1999

Line No.	(a)	Avg. Number of Shares Outstanding (b)	Book Value (per share) (c)	Earnings (per share) (d)	Dividends (per share) (e)	Retention Ratio (f)	Market Price High (g) Low (h)	Price/Earnings Ratio (i)
1	Year Ended December 31:	Not Applicable						
2								
3								
4								
5								
6								
7								
8	Month by Month Data:							
9	January							
10	February							
11	March							
12	April							
13	May							
14	June							
15	July							
16	August							
17	September							
18	October							
19	November							
20	December							
21								
22								
23								

Company Name: Central Montana Communications, Inc.

SCHEDULE 16

Capital Stock and Funded Debt reacquired or retired during the year

Year: 1999

Line No.	Description of Security (a)	Call or Retirement Date (b)	Number of Shares (c)	Principal Amount (d)	Reacquisition or Retirement Cost (e)	Gain or (Loss) (f)	Retirement or Reacquisition (g)
1	Not Applicable						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30	Totals (Sum L. 1 to L. 29)						

Company Name: Central Montana Communications, Inc.

SCHEDULE 17

Page 1 of 2

**Total Company Expense Matrix**

**Year:1999**

Line No.	Acct. No. (a)	Description (b)	Salaries and Wages (c)	Benefits (d)	Rents (e)	Other Expenses (f)	Clearances (g)	Total (h)
1	*	6110 Network Support Expense	18455	10764	9792	75934	-114945	
2	^	6112 Motor Vehicle Expense	16720	9757	9792	73162	-109431	
3	^	6113 Aircraft Expense						
4	^	6114 Special Purpose Vehicles Expense	1735	1007		2772	-5514	
5	^	6115 Garage Work Equipment Expense						
6	^	6116 Other Work Equipment Expense						
7	*	6120 General Support Expense	31815	15830	61368	55553	5314	169880
8	^	6121 Land and Building Expense	26895	13402	39876	41688	5314	127175
9	^	6122 Furniture and Artworks Expense						
10	^	6123 Office Equipment Expense	374	232	21492	3536		25634
11	^	6124 General Purpose Computers Expense	4546	2196		10329		17071
12	*	6210 Central Office Switching Expense	92878	50278		156069	21554	320779
13	^	6211 Analog Electronic Expense						
14	^	6212 Digital Electronic Expense	92878	50278		156069	21554	320779
15	^	6215 Electro-Mechanical Expense						
16		6220 Operator Systems Expense						
17	*	6230 Central Office Transmission Expense	33635	17844		75110	8683	135272
18	^	6231 Radio Systems Expense						
19	^	6232 Circuit Equipment Expense	33635	17844		75110	8683	135272
20	*	6310 Information Origination/Termination Expense						
21	^	6311 Station Apparatus Expense						
22	^	6341 Large Private Branch Exchange Expense						
23	^	6351 Public Telephone Terminal Equipment Exp.						
24	^	6362 Other Terminal Equipment Expense						
25	*	6410 Cable and Wire Facilities Expense	158123	86907	10669	51901	48466	356066
26	^	6411 Poles Expense	266	175	10364	1500	70	12375
27	^	6421 Aerial Cable Expense	44259	24463		11480	12743	92945
28	^	6422 Underground Cable Expense	297	174		40	71	582
29	^	6423 Buried Cable Expense	113301	62095	305	38881	35582	250164
30	^	6424 Submarine Cable Expense						
31	^	6425 Deep Sea Cable Expense						
32	^	6426 Intrabuilding Network Cable Expense						
33	^	6431 Aerial Wire Expense						
34		<b>Subtotals</b>	334,906	181,623	81,829	414,567	(30,928)	981997

^ Subaccount of the account marked with a \*.

Company Name: Central Montana Communications, Inc.

SCHEDULE 17

Page 2 of 2

**Total Company Expense Matrix**

**Year:1999**

Line No.	Acct. No. (a)	Description (b)	Salaries and Wages (c)	Benefits (d)	Rents (e)	Other Expenses (f)	Clearances (g)	Total (h)
35	^	6441 Conduit Systems Expense						
36		6510 Other Property Expenses						
37	*	6530 Network Operations Expense	238084	132330	14553	120156	-58362	446761
38	^	6531 Power Expense				38748		38748
39	^	6532 Network Administration Expense	142512	77390	10233	53081	25616	308832
40	^	6533 Testing Expense	13937	7630		3078	4869	29514
41	^	6534 Plant Operations Expense	81635	47310	4320	25249	-88847	69667
42	^	6535 Engineering Expense						
43		6540 Access Expense				206003		206003
44		6561 Depreciation - Telecomm. Plant in Service				1633186		1633186
45		6562 Depreciation-Prop. for Future Telecom. Use						
46		6563 Amortization Expense - Tangible						
47		6564 Amortization Expense - Intangible						
48		6565 Amortization - Other						
49	*	6610 Marketing	2193	1219		10382		13794
50	^	6611 Product Management						
51	^	6612 Sales				8744		8744
52	^	6613 Product Advertising	2193	1219		1638		5050
53		6621 Call Completion Services	6979	4201		17950		29130
54		6622 Number Services	3943	2094		107163		113200
55		6623 Customer Services	146416	84810	23112	441392		695730
56		6711 Executive	35672	15131		29737		80540
57		6712 Planning	349	178		7419		7946
58		6721 Accounting and Finance	78061	43402	15408	64947		201818
59		6722 External Relations	3748	2083		66523		72354
60		6723 Human Relations	1010	239		28031		29280
61		6724 Information Management	4000	2047		22056		28103
62		6725 Legal				15003		15003
63		6726 Procurement						
64		6727 Research and Development						
65		6728 Other General and Administrative	21676	6308	1678	104943		134605
66		6790 Provision for Uncollectible Notes Receivable						
67		<b>Totals</b>	<b>877,037</b>	<b>475,665</b>	<b>136,580</b>	<b>3,289,458</b>	<b>(89,290)</b>	<b>4689450</b>

^ Subaccount of the account marked with a \*.

Company Name: Central Montana Communications, Inc.

**SCHEDULE 18**

Page 1 of 2

**Year: 1999**

**Total State Expense Matrix**

Line No.	Acct. No. (a)	Description (b)	Salaries and Wages (c)	Benefits (d)	Rents (e)	Other Expenses (f)	Clearances (g)	Total (h)
1	*	6110 Network Support Expense	Not Applicable					
2	^	6112 Motor Vehicle Expense						
3	^	6113 Aircraft Expense						
4	^	6114 Special Purpose Vehicles Expense						
5	^	6115 Garage Work Equipment Expense						
6	^	6116 Other Work Equipment Expense						
7	*	6120 General Support Expense						
8	^	6121 Land and Building Expense						
9	^	6122 Furniture and Artworks Expense						
10	^	6123 Office Equipment Expense						
11	^	6124 General Purpose Computers Expense						
12	*	6210 Central Office Switching Expense						
13	^	6211 Analog Electronic Expense						
14	^	6212 Digital Electronic Expense						
15	^	6215 Electro-Mechanical Expense						
16		6220 Operator Systems Expense						
17	*	6230 Central Office Transmission Expense						
18	^	6231 Radio Systems Expense						
19	^	6232 Circuit Equipment Expense						
20	*	6310 Information Origination/Termination Expense						
21	^	6311 Station Apparatus Expense						
22	^	6341 Large Private Branch Exchange Expense						
23	^	6351 Public Telephone Terminal Equipment Exp.						
24	^	6362 Other Terminal Equipment Expense						
25	*	6410 Cable and Wire Facilities Expense						
26	^	6411 Poles Expense						
27	^	6421 Aerial Cable Expense						
28	^	6422 Underground Cable Expense						
29	^	6423 Buried Cable Expense						
30	^	6424 Submarine Cable Expense						
31	^	6425 Deep Sea Cable Expense						
32	^	6426 Intrabuilding Network Cable Expense						
33	^	6431 Aerial Wire Expense						
34		<b>Subtotals</b>						

^ Subaccount of the account marked with a \*.

Company Name: Central Montana Communications, Inc.

**SCHEDULE 18**

Page 2 of 2

**Year: 1999**

**Total State Expense Matrix**

Line No.	Acct. No. (a)	Description (b)	Salaries and Wages (c)	Benefits (d)	Rents (e)	Other Expenses (f)	Clearances (g)	Total (h)
35	^	6441 Conduit Systems Expense						
36		6510 Other Property Expenses						
37	*	6530 Network Operations Expense						
38	^	6531 Power Expense						
39	^	6532 Network Administration Expense						
40	^	6533 Testing Expense						
41	^	6534 Plant Operations Expense						
42	^	6535 Engineering Expense						
43		6540 Access Expense						
44		6561 Depreciation - Telecomm. Plant in Service						
45		6562 Depreciation-Prop. for Future Telecom. Use						
46		6563 Amortization Expense - Tangible						
47		6564 Amortization Expense - Intangible						
48		6565 Amortization - Other						
49	*	6610 Marketing						
50	^	6611 Product Management						
51	^	6612 Sales						
52	^	6613 Product Advertising						
53		6621 Call Completion Services						
54		6622 Number Services						
55		6623 Customer Services						
56		6711 Executive						
57		6712 Planning						
58		6721 Accounting and Finance						
59		6722 External Relations						
60		6723 Human Relations						
61		6724 Information Management						
62		6725 Legal						
63		6726 Procurement						
64		6727 Research and Development						
65		6728 Other General and Administrative						
66		6790 Provision for Uncollectible Notes Receivable						
67		<b>Totals</b>						

^ Subaccount of the account marked with a \*.

**Pension Costs**

Year: 1999

1	Plan Name NTCA Savings Plan			
2	Defined Benefit Plan? Yes	Defined Contribution Plan? _____		
3	Actuarial Cost Method? _____	IRS Code: _____		
4	Annual Contribution by Employer: \$121,949.84	Is the Plan Over Funded? _____		
5				
	Item	Current Year	Last Year	% Change
6	<b>Change in Benefit Obligation</b>			
7	Benefit obligation at beginning of year			
8	Service cost			
9	Interest Cost			
10	Plan participants' contributions			
11	Amendments			
12	Actuarial Gain			
13	Acquisition			
14	Benefits paid			
15	Benefit obligation at end of year			
16	<b>Change in Plan Assets</b>			
17	Fair value of plan assets at beginning of year			
18	Actual return on plan assets			
19	Acquisition			
20	Employer contribution			
21	Plan participants' contributions			
22	Benefits paid			
23	Fair value of plan assets at end of year			
24	<b>Funded Status</b>			
25	Unrecognized net actuarial loss			
26	Unrecognized prior service cost			
27	Prepaid (accrued) benefit cost			
28				
29	<b>Weighted-average Assumptions as of Year End</b>			
30	Discount rate			
31	Expected return on plan assets			
32	Rate of compensation increase			
33				
34	<b>Components of Net Periodic Benefit Costs</b>			
35	Service cost			
36	Interest cost			
37	Expected return on plan assets			
38	Amortization of prior service cost			
39	Recognized net actuarial loss			
40	Net periodic benefit cost			
41				
42	<b>Montana Intrastate Costs:</b>			
43	Pension Costs			
44	Pension Costs Capitalized			
45	Accumulated Pension Asset (Liability) at Year End			
46	<b>Number of Company Employees:</b>			
47	Covered by the Plan			
48	Not Covered by the Plan			
49	Active			
50	Retired			
51	Deferred Vested Terminated			

**Pension Costs**

Year: 1999

1	Plan Name NTCA Savings Plan			
2	Defined Benefit Plan? _____		Defined Contribution Plan? Yes	
3	Actuarial Cost Method? _____		IRS Code: _____	
4	Annual Contribution by Employer: \$22,655.13		Is the Plan Over Funded? _____	
5				
	Item	Current Year	Last Year	% Change
6	<b>Change in Benefit Obligation</b>			
7	Benefit obligation at beginning of year			
8	Service cost			
9	Interest Cost			
10	Plan participants' contributions			
11	Amendments			
12	Actuarial Gain			
13	Acquisition			
14	Benefits paid			
15	Benefit obligation at end of year			
16	<b>Change in Plan Assets</b>			
17	Fair value of plan assets at beginning of year			
18	Actual return on plan assets			
19	Acquisition			
20	Employer contribution			
21	Plan participants' contributions			
22	Benefits paid			
23	Fair value of plan assets at end of year			
24	<b>Funded Status</b>			
25	Unrecognized net actuarial loss			
26	Unrecognized prior service cost			
27	Prepaid (accrued) benefit cost			
28				
29	<b>Weighted-average Assumptions as of Year End</b>			
30	Discount rate			
31	Expected return on plan assets			
32	Rate of compensation increase			
33				
34	<b>Components of Net Periodic Benefit Costs</b>			
35	Service cost			
36	Interest cost			
37	Expected return on plan assets			
38	Amortization of prior service cost			
39	Recognized net actuarial loss			
40	Net periodic benefit cost			
41				
42	<b>Montana Intrastate Costs:</b>			
43	Pension Costs			
44	Pension Costs Capitalized			
45	Accumulated Pension Asset (Liability) at Year End			
46	<b>Number of Company Employees:</b>			
47	Covered by the Plan			
48	Not Covered by the Plan			
49	Active			
50	Retired			
51	Deferred Vested Terminated			

**Other Post Employment Benefits (OPEBS)**

Item	Current Year	Last Year	% Change
<b>1 Regulatory Treatment:</b>			
2 Commission authorized - most recent			
3 Docket number: _____			
4 Order number: _____			
5 Amount recovered through rates	Not applicable		#VALUE!
<b>6 Weighted-average Assumptions as of Year End</b>			
7 Discount rate			
8 Expected return on plan assets			
9 Medical Cost Inflation Rate			
10 Actuarial Cost Method			
11 Rate of compensation increase			
<b>12 List each method used to fund OPEBs (ie: VEBA, 401(h)) and if tax advantaged:</b>			
13			
14			
<b>15 Describe any Changes to the Benefit Plan:</b>			
16			
<b>17 TOTAL COMPANY</b>			
<b>18 Change in Benefit Obligation</b>			
19 Benefit obligation at beginning of year			
20 Service cost			
21 Interest Cost			
22 Plan participants' contributions			
23 Amendments			
24 Actuarial Gain			
25 Acquisition			
26 Benefits paid			
27 Benefit obligation at end of year			
<b>28 Change in Plan Assets</b>			
29 Fair value of plan assets at beginning of year			
30 Actual return on plan assets			
31 Acquisition			
32 Employer contribution			
33 Plan participants' contributions			
34 Benefits paid			
35 Fair value of plan assets at end of year			
<b>36 Funded Status</b>			
37 Unrecognized net actuarial loss			
38 Unrecognized prior service cost			
39 Prepaid (accrued) benefit cost			
<b>40 Components of Net Periodic Benefit Costs</b>			
41 Service cost			
42 Interest cost			
43 Expected return on plan assets			
44 Amortization of prior service cost			
45 Recognized net actuarial loss			
46 Net periodic benefit cost			
<b>47 Accumulated Post Retirement Benefit Obligation</b>			
48 Amount Funded through VEBA			
49 Amount Funded through 401(h)			
50 Amount Funded through Other _____			
51 TOTAL			
52 Amount that was tax deductible - VEBA			
53 Amount that was tax deductible - 401(h)			
54 Amount that was tax deductible - Other _____			
55 TOTAL			

**Other Post Employment Benefits (OPEBS) Continued**

	Item	Current Year	Last Year	% Change
1	<b>Number of Company Employees:</b>			
2	Covered by the Plan			
3	Not Covered by the Plan			
4	Active			
5	Retired			
6	Spouses/Dependants covered by the Plan			
7	<b>Montana</b>			
8	<b>Change in Benefit Obligation</b>			
9	Benefit obligation at beginning of year			
10	Service cost			
11	Interest Cost			
12	Plan participants' contributions			
13	Amendments			
14	Actuarial Gain			
15	Acquisition			
16	Benefits paid			
17	Benefit obligation at end of year			
18	<b>Change in Plan Assets</b>			
19	Fair value of plan assets at beginning of year			
20	Actual return on plan assets			
21	Acquisition			
22	Employer contribution			
23	Plan participants' contributions			
24	Benefits paid			
25	Fair value of plan assets at end of year			
26	<b>Funded Status</b>			
27	Unrecognized net actuarial loss			
28	Unrecognized prior service cost			
29	Prepaid (accrued) benefit cost			
30	<b>Components of Net Periodic Benefit Ccsts</b>			
31	Service cost			
32	Interest cost			
33	Expected return on plan assets			
34	Amortization of prior service cost			
35	Recognized net actuarial loss			
36	Net periodic benefit cost			
37	<b>Accumulated Post Retirement Benefit Obligation</b>			
38	Amount Funded through VEBA			
39	Amount Funded through 401(h)			
40	Amount Funded through other _____			
41	TOTAL			
42	Amount that was tax deductible - VEBA			
43	Amount that was tax deductible - 401(h)			
44	Amount that was tax deductible - Other			
45	TOTAL			
46	<b>Montana Intrastate Costs:</b>			
47	Pension Costs			
48	Pension Costs Capitalized			
49	Accumulated Pension Asset (Liability) at Year End			
50	<b>Number of Montana Employees:</b>			
51	Covered by the Plan			
52	Not Covered by the Plan			
53	Active			
54	Retired			
55	Spouses/Dependants covered by the Plan			

**Payments for Services to Persons Other Than Employees**

Year: 1999

Line No.	Name of Recipient (a)	Nature of Service (b)	Total Company Cost (c)	Total State Cost (d)	Intrastate Cost (e)
1	TCH Construction	Construction Services	82524	82524	82524
2	Robert Korizek	Right of Way Services	39276	39276	39276
3	GVNW Inc.	Cost Consulting	51794	51794	51794
4	Heberly & Associates	Engineering Services	299483	299483	299483
5	Hill County Electric Coop.	Office & Equipment Rental	2355376	2355376	2355376
6	North Central Data Coop.	Data Processing Services	319915	319915	319915
7	North Winds Publishing	Directory Services	79079	79079	79079
8	Triangle Telephone Coop.	Office, Equip. & Switching Rental	1972346	1972346	1972346
9	Fire Suppression Systems	Construction Services	263684	263684	263684
10					
11					
12					
13					
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48					
49	<b>Total</b>		5463477	5463477	5463477

## Subscriber Line Usage Data

ear: 1999

Line No.	Description (a)	This Year (b)	% of Total (c)	Last Year (d)	% of Total (e)
1	Toll Usage:				
2	Interstate, InterLATA	27486776	55.32%	28625038	59.07%
3	Interstate, IntraLATA	1728	0.00%	2409	0.00%
4	<b>Total Interstate Usage</b>	27488504	55.33%	28627447	59.07%
5	Intrastate, InterLATA	9510257	19.14%	8674775	17.90%
6	Intrastate, IntraLATA	12684691	25.53%	11160228	23.03%
7	<b>Total Intrastate Usage</b>	22194948	44.67%	19835003	40.93%
8	<b>Total Toll Usage</b>	49683452	100.00%	48462450	100.00%
9	Centrex				
10	Local				
11	<b>Total Minutes</b>	49683452	100.00%	48462450	100.00%

Company Name: Central Montana Communications, Inc.

**SCHEDULE 23**

Page 1 of

**Central Office and Access Line Statistics**

Year: 1999

Line No.	Wire Center (a)	Type of Office (b)	Residential (c)	ISDN (d)	ADSL (e)	Lifeline Customers (f)	Residential LMS Customers (g)	Single Line Business (h)	Multi-Line Business (i)	Customer Owned Coin (j)	Company Owned Coin (k)	Other (l)	% of Lines w/ T. Tone (m)	Total Access Lines (n)
1	353-Harlem	Host	703			41		33	253	17			100.0%	1006
2	374-Moore	Remote	248			2		7	34	5			100.0%	294
3	383-Dodson	Remote	95			1		2	10	2			100.0%	109
4	423-Hobson	Remote	325			2		20	31	2			100.0%	378
5	473-Judith Gap	Remote	129			3		1	15	1			100.0%	146
6	547-White Sulphur Spr	Host	686			12		64	159	16			100.0%	925
7	566-Stanford	Remote	362			4		30	71	7			100.0%	470
8	567-Denton	Remote	253					14	52	1			100.0%	320
9	572-Martinsdale	Remote	129					7	21	2			100.0%	159
10	622-Fort Benton	Host	790			7		60	272	13			100.0%	1135
11	632-Harlowton	Remote	707			15		54	178	14			100.0%	953
12	654-Malta	Host	1179			53		101	369	20			100.0%	1669
13	737-Geraldine	Remote	271					16	24	2			100.0%	313
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33	<b>Total</b>		5877			140		409	1489	102			13	7877

NOTE: Additional blank schedules are being provided for your convenience.

Year: 1999

## Central Office and Switch Information

Line No.	Wire Center (a)	Office Configuration (Host, Remote, Stand alone) (b)	Type of Switch (c)	Switch Vendor/ Manufacturer (d)	Switch Model No. (e)	Switch Line Capacity (f)	Year Deployed (g)
1	353-Harlem	Host	Digital	Northern Telecom	DMS-10	7,500	1995
2	374-Moore	Remote	Digital	Northern Telecom	RSLE	1,024	1995
3	383-Dodson	Remote	Digital	Northern Telecom	RSLM	192	1994
4	423-Hobson	Remote	Digital	Northern Telecom	RSLE	1,024	1995
5	473-Judith Gap	Remote	Digital	Northern Telecom	RSLM	192	1995
6	547-White Sulphur Spr	Host	Digital	Northern Telecom	DMS-10	7,500	1996
7	566-Stanford	Remote	Digital	Northern Telecom	RSLE	1,024	1995
8	567-Denton	Remote	Digital	Northern Telecom	RSLE	1,024	1995
9	572-Martinsdale	Remote	Digital	Northern Telecom	RSLM	192	1996
10	622-Fort Benton	Host	Digital	Northern Telecom	DMS-10	7,500	1995
11	632-Harlowton	Remote	Digital	Northern Telecom	RCS	1,600	1999
12	654-Malta	Host	Digital	Northern Telecom	DMS-10	7,500	1994
13	737-Geraldine	Remote	Digital	Northern Telecom	RSLE	1,024	1995
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NOTE: Additional blank schedules are being provided for your convenience.

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## Construction Budget - Montana

Year: 2000

Line No.	Description (a)	2000 (b)
1	<b>Central Office Assets:</b>	
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26		
27	Total Switching and Central Office Projects over \$500,000	
28	Miscellaneous Central Office Projects not over \$500,000	2060000
29	<b>Total Central Office Budget (Total of Line 27 &amp; Line 28)</b>	2060000
30	<b>Other Projects over \$500,000:</b>	
31		
32	Geraldine Upgrade	1500000
33	Judith Gap Upgrade	850000
34		
35		
36		
37		
38		
39		
40		
41	Total Other Projects over \$500,000	2350000
42	Miscellaneous projects not over \$500,000	905400
43	<b>Total Construction Budget (Total of Lines 29, 41 &amp; 42)</b>	5315400

## Montana Employee Counts

Year: 1999

Line No.	Category (a)	Beginning of Year (b)	End of Year (c)
1	Employees are provided through a Joint Use Agreement with Hill County		
2	Electric Cooperative, Inc. Areas where joint use employees are used follow:		
3			
4	Staff	12	18
5	Outside Plant	20	17
6			
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43	<b>Totals (Sum of Lines 1 through 42)</b>	32	35

## Compensation of Top 10 Montana Based Employees

Year: 1999

Line No.	Name/Title (a)	Base Salary (b)	Bonuses (c)	Other Compensation (d)	Total Compensation (e)	Total Compensation Last Year (f)	% Increase Total Compensation (g)
1	Larry Lett Telephone Combination Man	47818			47818	47683	0.28%
2	Bryce Campbell Telephone Combination Man	46672			46672	44996	3.72%
3	Michael Candelaria Telephone Combination Man	46364			46364	16183	186.50%
4	Paul Myers Telephone Combination Man	46093			46093	45442	1.43%
5	Clarence Westburg Telephone Combination Man	45591			45591	44750	1.88%
6	Jim Rassler Telephone Combination Man	45511			45511	46642	-2.42%
7	Ken Dirkson Telephone Combination Man	42390			42390	33058	28.23%
8	Aaron Daniel Telephone COE Technician	36247			36247		
9	Merlyn Huso Assistant General Manager/ Controller	32201			32201	31347	2.72%
10	Bud Borlaug Telephone Technician	29434			29434	28438	3.50%
11	<b>Totals (Sum L.1 to L.10)</b>	418321			418321	338539	23.57%

Year: 1999

**Compensation of Top 5 Corporate Employees - SEC Information**

Line No.	Name/Title (a)	Base Salary (b)	Bonuses (c)	Other Compensation (d)	Total Compensation (e)	Total Compensation Last Year (f)	% Increase Total Compensation (g)
1	Not Applicable						
2							
3							
4							
5							
6	Totals (Sum L.1 to L.5)						

## Montana Composite Statistics

Year: 1999

Line No.	Account No.	Description (a)	Amount (b)
1		<b>Plant (Intrastate Only) (000 Omitted)</b>	
2	2001	Plant in Service	37603
3	2003 - 2004	Construction Work in Progress	1093
4	2005	Plant Acquisition Adjustments	12944
5	2002	Plant Held for Future Use	
6	1220	Materials & Supplies	
7		(Less):	
8	3100 - 3400	Depreciation & Amortization Reserves	-22133
9	4360.2	Contributions in Aid of Construction	
10		<b>NET BOOK COSTS</b>	29507
11		<b>Revenues &amp; Expenses (Intrastate Only) (000 Omitted)</b>	
12	5000 - 5300	Operating Revenues	10040
13	6560	Depreciation & Amortization Expenses	1633
14		Federal & State Income Taxes	838
15		Other Taxes	1356
16		Other Operating Expenses	3057
17		TOTAL Operating Expenses	6884
18		Net Operating Income	3156
19		Other Income	559
20		Other Deductions	2373
21		<b>NET INCOME</b>	1342
22		<b>Access Lines in Service (Intrastate Only)</b>	
23		Residential Access Lines	5877
24		Business Access Lines	1918
25		PBX Access Lines	82
26		Other Access Lines	
27		<b>Total Number of Access Lines</b>	7877
28		<b>Average Number of Calls Per Access Line</b>	
29		Local Calls	265
30		Toll Calls (Intra- or Interstate)	228
31		<b>Total Number of Calls Per Access Line (Total of Line 29 &amp; Line 30)</b>	493
32		<b>Other Statistics (Intrastate Only)</b>	
33		Average Residential Monthly Bill	48
34		Gross Plant Investment per Access Line	6556

## Depreciation - Montana Intrastate Regulated

Year: 1999

Line No.	Acct No. (a)	Description (b)	Composite Rate % (c)	Total Expense \$ (d)
1	2112	Motor Vehicles	9.7%	63,987
2	2114	Special Purpose Vehicles	7.0%	9,528
3	2115	Garage Work Equipment	8.4%	
4	2116	Other work Equipment	2.8%	2,220
5	2121	Buildings	3.8%	41,100
6	2122	Furniture	5.5%	
7	2123.1	Office Support Equipment	13.4%	804
8	2123.2	Company Communications Equipment	5.3%	
9	2124	General Purpose Computers	6.5%	
10	2211	Analog Electronic Switching Equipment	9.3%	
11	2212	Digital Electronic Switching Equipment	8.2%	210,649
12	2215	Step By Step Switching Equipment	9.5%	
13	2215	Crossbar Switching Equipment	11.6%	
14	2220	Operator System	12.5%	
15	2231	Radio Systems	7.5%	
16	2232	Circuit DDS	18.7%	272,982
17	2232	Circuit Digital	9.6%	
18	2232	Circuit Analog	10.7%	
19	2351	Public Telephone Terminating Equipment	3.0%	
20	2362	Other Terminal Equipment	16.0%	
21	2411	Poles	4.7%	13,644
22	2421	Aerial Cable Metallic	5.4%	55,077
23	2421	Aerial Cable Nonmetallic	4.2%	3,300
24	2422	Underground Cable Metallic	4.4%	72
25	2422	Underground Cable Nonmetallic	4.8%	32,484
26	2423	Buried Cable Metallic	3.9%	740,113
27	2423	Buried Cable Nonmetallic	4.2%	187,104
28	2424	Submarine Cable Metallic	2.3%	
29	2424	Submarine Cable Nonmetallic	3.3%	
30	2426	Intrabuilding Network Cable Metallic	5.5%	
31	2426	Intrabuilding Network Cable Nonmetallic	11.3%	
32	2431	Aerial Wire	13.4%	50
33	2441	Conduit Systems	2.1%	72
34				
35		<b>COMPOSITE TOTAL</b>	<b>7.5%</b>	
36				
37	Have these rates been approved by the Commission? ____YES __X__ NO			
38				
39	If yes: _____ Docket Number _____ Order Number			
40				

## Montana Regulatory Capital Structure &amp; Costs

Year: 1999

Line No.	Description (a)	% Cap. Str. (b)	% Cost Rate (c)	Weighted Cost (d)
	<b>Commission Accepted - Most Recent</b>			
1	Docket Number			
2	Order Number			
3				
4	Common Equity			
5	Preferred Stock			
6	Long Term Debt			
7	Other			
8	<b>Total</b>			
9				
10	<b>Actual at Year End</b>			
11				
12	Common Equity	100.00%		
13	Preferred Stock			
14	Long Term Debt			
15	Other			
16	<b>Total</b>	100.00%		

## Network Access - Charges and Revenues

Year: 1999

Line No.	Description (a)	Access Charges Paid (b)	Access Revenues Received (c)
1	Montana - Total State		7127716
2			
3	Montana - Intrastate		1638378
4			
5	Montana - Intrastate Regulated		1458414
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Company Name: Central Montana Communications, Inc.

SCHEDULE 33

**Affiliate Transactions - Products & Services Provided to Utility**

Year: 1999

Line No.	Affiliate Name (a)	Products & Services (b)	Method to Determine Price (c)	Charges to Utility (d)	% Total Affil. Revenues (e)	Charges to MT Utility (f)
1	Triangle Telephone Cooperative, Inc.	Office Rent	Floor space	77,052		
2	Triangle Telephone Cooperative, Inc.	Equipment Rent	Average hourly operating exp.	10,509		
3	Triangle Telephone Cooperative, Inc.	Retirement Plan Reimbursements	Labor hous charged	355,896		
4	Triangle Telephone Cooperative, Inc.	Expense Reimbursements	Actual amounts charged	1,649,632		
5	Triangle Telephone Cooperative, Inc.	Expense Allocations	Time used	8,425		
6	Triangle Communication System, Inc.	Internet Customer Service	Labor hours charged	23,630		
7	Triangle Communication System, Inc.	Long Distance Service	Actual amounts billed	276,559		
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30	<b>TOTAL</b>			\$2,401,703		

## Affiliate Transactions - Products &amp; Services Provided by Utility

Year: 1999

Line No.	Affiliate Name (a)	Products & Services (b)	Method to Determine Price (c)	Charges to Affiliate (d)	% Total Affil. Revenues (e)	Charges to MT Utility (f)
1	Triangle Telephone Cooperative, Inc.	Equipment Rent	Average hourly operating exp.	5,640		
2	Triangle Telephone Cooperative, Inc.	Construction Material	Actual cost	246,886		
3	Triangle Communication System, Inc.	Billing and Collection	Actual cost	36,758		
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30	<b>TOTAL</b>			\$289,284		

## Montana Intrastate Regulated Earned Rate of Return

Year: 1999

Line No.	Description Rate Base (a)	This Year (b)	Last Year (c)	Percent Change (d)
1				
2	2001 Plant in Service	37,603,060	36,756,884	2.30%
3	2002 Prop. Held for Future Telecommunications Use			
4	3100-3200 (Less) Accumulated Depreciation	(17,325,839)	(17,118,882)	-1.21%
5	<b>Plant in Service</b>	20,277,221	19,638,002	3.26%
6				
7	<b>Additions</b>			
8	1220 Materials & Supplies			
9	1280 Prepayments			
10	Other Additions			
11	<b>TOTAL Additions</b>			
12				
13	<b>Deductions</b>			
14	4100 Current Deferred Operating Income Taxes			
15	4320 Unamortized Operating Investment Tax Credits			
16	4340 Noncurrent Deferred Operating Income Taxes			
17	Customer Advances for Construction			
18	Other Deductions			
19	<b>TOTAL Deductions</b>			
20	<b>TOTAL Rate Base</b>	20,277,221	19,638,002	3.26%
21				
22	<b>Net Earnings</b>	1,341,951	1,278,966	4.92%
23				
24	<b>Rate of Return on Average Rate Base</b>	6.724%	6.500%	3.45%
25				
26	<b>Rate of Return on Average Equity</b>	14.632%	16.180%	-9.57%
27				
28	Major Normalizing Adjustments & Commission			
29	<u>Ratemaking adjustments to Utility Operations</u>			
30				
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42				
43	<b>Adjusted Rate of Return on Average Rate Base</b>	6.724%	6.500%	3.45%
44				
45	<b>Adjusted Rate of Return on Average Equity</b>	14.632%	16.180%	-9.57%

**Other Taxes Paid**

Year: 1999

Line No.	Description (a)	Last Year (b)	This Year (c)
1	Montana Telephone Company License Tax	43424	51337
2	Montana Public Service Commission Tax	9847	10189
3	Montana Consumer Counsel Tax	3130	3904
4	911 Emergency Telephone Fee		
5	Montana Telecommunications Access Service (TDD)		
6	Montana Corporate License Tax	145007	134850
7	Personal Property Tax		
8	Real Property Tax	1229335	1289315
9	Universal Service Fund	1617	990
10			
11			
12	<b>Total</b>	1432360	1490585

Company Name: Central Montana Communications, Inc.

**Universal Service Funds Received**

Year: 1999

Line No.	Description (a)	Last Year (b)	This Year (c)
13	Funds received from Montana Sources		
14	Funds received from Federal Sources	2201154	2185568
15			
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23			
24	<b>Total</b>	2201154	2185568